



Proposed Policy on Lightly Used Services

Action Item

Recommendation: Approve the Policy on Lightly Used Services for Submission to the Technology Services Board.

Introduction

The Department of Technology Services (DTS) often provides hardware, software, or consulting services that are unique to a customer or a small group of customers. The following policy will help to determine how and when it is appropriate to recover full costs from a small group of customers.

Category of Services

Category 1 – General Purpose Service

The service is considered of value to the general customer base. The cost of a general-use service is recovered via service rates.

Category 2 – Services Utilized by a Few Customer Departments

If the service has future value to more than the requesting few customers, the service costs will be recovered through a dedicated customer rate until the customer pool is large enough to substantiate a service rate. The Technology Services Board may establish a subsidized service rate early to promote adoption.

Category 3 – Services Utilized by a Few Customer Departments with Little or No Value to the General Customer Base (Dedicated Services)

A service utilized by a few customers, but not of current or future value to the general customer base, is classified as a dedicated service. The cost of a dedicated service will be fully recovered from the customers using that service through a dedicated rate. From time to time, a Category 1 or Category 2 service may be reclassified as Category 3 if there is a significant reduction in the number of customers using the service. If a service is reclassified as Category 3, the dedicated rate will take effect within one year following the reclassification.

Questions regarding this policy should be directed to the DTS Rates and Cost Recovery Unit at (916) 739-7904.
